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2005 APR 26 PM 3:13

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April 26, 2005

Sharla Dillon, Docket Room Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Via Hand Delivery

Re: Docket No. 04-00434 – Wastewater Escrow Accounts

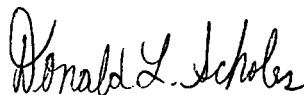
Dear Ms. Dillon:

I have enclosed for filing an original and fourteen copies of the Response of Lynwood Utility Corporation to the Staff's March 16, 2005 Letter Request in this docket. I have enclosed an extra copy which I would appreciate your returning to me stamped filed.

I apologize for the delay in responding to the March 16, 2005 Letter Request. Because Lynwood does not have a full-time administrative employee, this request was not routed to the person able to respond until recently and was forwarded to me on Monday of this week. To insure timely responses from Lynwood to Staff Requests in the future in any docket, I would appreciate your forwarding a copy of this request to me as well.

Thank you for your assistance in this matter.

Sincerely yours,



DONALD L. SCHOLLES

Enclosure

c: Tyler Ring
James Ford

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

In re: FORUM TO GATHER INFORMATION)
ON THE CERTIFICATION,)
PERMITTING, AND INSTALLATION) DOCKET NO. 04-00434
OF WASTEWATER SYSTEMS)

PETITIONER'S RESPONSE TO STAFF'S MARCH 16, 2005 LETTER REQUEST

Comes now Lynwood Utility Corporation (Lynwood) and files this Response to the Staff Request set forth in its March 16, 2005, letter to Lynwood in this docket.

1. Does your company maintain an escrow account to appropriate funds dedicated to system repairs or operations in the event of an emergency?

RESPONSE: No.

Does the company maintain an escrow account for any other purpose?

RESPONSE: No.

If so, when was this account(s) first established?

RESPONSE: Not applicable

2. If your company does not have an escrow account, please explain how the company would fund extensive system repairs or operations in the event of an emergency.

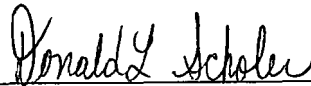
RESPONSE: The company would fund extensive system repairs with current working capital and the unused balance of its \$1,250,000 line of credit with Tennessee Contractors, Inc. which current unused balance is \$270,000.

3. If an escrow account(s) exists, please answer the following questions:

RESPONSE The company does not maintain an escrow account.

Dated this 26th day of April, 2005.

Respectfully submitted,



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